TABLE OF CONTENTS

Section One. Overview

	Page
I. THE BUDGET MESSAGE OF THE PRESIDENT	1
II. DIRECTOR'S INTRODUCTION TO THE NEW BUDGET	5
III. INVESTING IN THE FUTURE	23
A. Increasing Saving, Investment and Productivity	25
B. Expanding the Human Frontier—Space and Biotechnology, and the Superconducting Super Collider	49
C. Enhancing Research and Development	67
D. Investing in Human Capital	93
E. Ending the Scourge of Drugs	111
F. Protecting the Environment	119
G. Improving the Transportation Infrastructure	133
H. Bringing HOPE to Distressed Communities	141
I. Preserving National Security and Advancing America's Interests Abroad	151
J. Preserving America's Heritage	165
IV. ADVANCING STATES AS LABORATORIES	169
V. REFORMING MANDATORY PROGRAMS	181
VI. ACKNOWLEDGING INHERITED CLAIMS	213
A. Accounting for Debt and Unfunded Annuities	215
B. Recognizing Federal Underwriting Risks	229
C. Cleaning Up Federal Facilities	257
VII. MANAGING FOR INTEGRITY AND EFFICIENCY	263
A. Reforming the Budget Process	265
B. Restoring a Basis for Confidence	271
1. Reducing Investment in Low-Return Programs	271
2. Strengthening Management Oversight	278
C. Managing by Objectives	289

Section Two. Notes and Appendices

Page

I. NOTE ON ECONOMIC ASSUMPTIONS AND SENSITIVITIES A-1

II. NOTE ON ALTERNATE APPROACHES TO BUDGET PRESENTATION A-9

III. NOTE ON RESOLUTION TRUST CORPORATION (RTC) AND THE TREATMENT OF "WORKING CAPITAL" OR "BRIDGE" FINANCING A-19

IV. SUMMARY INFORMATION A-25

A. Baseline Estimates A-27

B. Receipts, User Fees, and Other Collections A-49

C. Tax Expenditures A-59

D. Civilian Employment in the Executive Branch A-77

E. Federal Transactions in the National Income and Product Accounts A-81

F. Technical Perspectives on Expenditures, Off-Budget Activities, Capital Outlays, and Borrowing A-83

G. Federal Programs by Function A-145

H. Federal Programs by Agency and Account A-157

I. Historical Tables A-279

V. DETAILED BUDGET ESTIMATES A-337

A. Detailed Budget Estimates by Agency A-349

B. Proposed Supplementals A-1205

C. Other Materials A-1209

D. Government-Sponsored Enterprises A-1213

VI. GLOSSARY OF BUDGET TERMS A-1229

VII. LIST OF CHARTS AND TABLES A-1233

VIII. INDEX A-1243